PSD/NSR Interface with the other three quarter loaf

NSR Retooling Team February 10 - March 30, 2004

Wisconsin Department of Natural Resources

Attack Interface by Program

- Pollution Control Projects
- Clean Units
- Plantwide Applicability Limits
- Applicability Test

Common Questions

- Should Major NSR exclusion also provide for exclusion from Minor NSR (406)?
- How and when are the operation permit program obligations met?
- Are time sensitive emission requirements effected by the change?
- Are any new Federal requirements applicable?

Pollution Control Projects & Clean Units

- Similar incentives for use apparent
- Control methodology a part of equation

Emissions of targeted pollutant



What Seems Clear with PCP/CU

- Regulations should not impede the progress towards environmentally beneficial projects
- Best Available Control Installation should not be penalized
- Collateral emission increases, however, require evaluation

Starting point?

- Exclude projects meeting Clean Unit or Pollution Control Project provisions from minor NSR as long as
 - Demonstrated protection of air quality
 - Do not trigger new federal/state requirements
- Treat qualifying projects as minor revisions under operation permit program
 - Can construct and operate after application is submitted and permit is being reviewed
- 21 day review period or proceed at risk

Plantwide Applicability Limits

- PALs are pollutant specific limitations on emissions
- Activities that can be accomplished under the limitation of the PAL would be excluded from major NSR

What Seems Clear Under the PAL

- Regulations should not impede the progress towards environmentally beneficial projects
- Projects underneath the PAL should be able to be implemented quickly
- Impacts of changes on air quality standards, particularly pollutants not under a PAL, but also those that are, must be considered prior to implementation of the project

IDEAS From TAG discussion

- Permits with flexibility
- Assess ambient air impacts in setting up PAL catalogue stack parameters
- Use of alternative operation scenarios in Title V process that establishes PAL
- Waive underlying limits?

Starting Points for the PAL

- Modifications to equipment under the PAL
 - Ambient air quality test satisfied (VOC PAL not necessary since no model)
 - Does not trigger new federal or state standard
 - Use minor revision process for "insignificant" change in emissions unit emission profile, significant revision process for "significant" change in emissions profile using applicability test.

Starting Points for the PAL - 2

- Installation of new or replacement units
 - Ambient air quality test satisfied (VOC PAL not necessary since no model)
 - Does not trigger new federal or state standard
 - Use minor revision process for "insignificant" emissions unit, minor NSR process for "significant" emissions unit.

Applicability Test

- Test used to predict emissions increase of a anticipated project
- Emissions evaluated on ton per year basis
- New/Replacement Units required to use potential emissions with no baseline actual
- Modifications to existing equipment use either potential or projected actual emissions and compare to baseline actual

Notification Requirements under Applicability Test

- Notice, record keeping and reporting requirements
 - Submit notice of project prior to beginning actual construction either under minor NSR or under Title V revision requirements. If no permit change necessary, simply notify.
 - Using projected actual, include details on projection if projection minus baseline actual emission rate results in significant emissions increase
 - Report to DNR if annual emissions result in significant emissions increase and are inconsistent with projection
 - Latter not required if potential to actual test used

What should be included in Title V permit to reflect use of Applicability Test

- Monitoring and recordkeeping requirements of 405.16(3) and (4).
- Reporting requirements of 405.16(3)(d) or
 (e)
- If new or replacement unit, that unit's applicable requirements.

Is the following an accurate statement?

- For existing units using applicability test:
 - Most modifications will not result in an increase in MTE, thus most will qualify under general exemption requirements in NR 406
 - Many modifications to existing requirements will not result in new applicable requirements and not require change to Title V permit

What we know under NR 406

- Exemptions and exclusions criteria is applicable
 - Several categories of exemptions General exemptions based upon NSR significant thresholds
 - Several exclusions from modification, including one based upon general exemption thresholds
- Exempt or excluded projects may commence construction upon submitting Title V permit revision application (if applicable)

How should the following be addressed under the Applicability Test?

- Modifications that result in triggering new applicable requirements (NSPS, etc.)?
- New Units?
- Replacement Units?
- Ambient Air Quality Assessments?

Starting point for Applicability Test

- Exclude projects from minor NSR if:
 - Meet air quality test
 - Does not trigger new federal requirement
 - New/Replacement unit is not significant
- Those excluded from minor NSR treat as minor revisions under Title V process

Still to Answer

- Effect on Time Sensitive Regulations
- What's needed to make this work
 - NR 406/407 rule changes
 - Minor NSR SIP revision
 - Title V program change